

Managing Attorney BP Legal – Litigation



June 2, 2010

James D. "Buddy" Caldwell Attorney General State of Louisiana PO Box 94005 Baton Rouge 70804-9005

Dear General Caldwell:

I respond to your letter of May 31, 2010. We recognize your duty to protect the citizens of Louisiana. From the onset of this event, BP has worked hard to develop and run a claims process that complies with the law, provides impacted individuals and businesses with a process that is fair, effective, and practical, and keeps agencies in Louisiana as fully informed as possible.

As we discussed when we met with you and the Attorney Generals for the other Gulf Coast States on May 6, 2010, we support the need to provide your state with data and information. We restate our request that you identify a single point of contact in the state for requests for all information. Our staff is spending more and more time responding to ad-hoc requests for data. While these requests are undoubtedly made in good faith, they risk distracting our team from the very important goal of handling claims.

As you may know, we have been providing the United States Coast Guard, who has primary responsibility under the Oil Pollution Act for overseeing our claims process with detailed claims data and information on a daily basis. This report continues to evolve, but it has detailed information regarding claims paid. We are happy to consider requests to further improve this report.

Beyond this, I am aware that various agencies in your state have asked for information regarding individual claims. We recognize that there are valid reasons to request that data and we are committed to providing this data in a manner that meets the state's needs. We have received Mr. Eysink's letter of June 1, 2010 with the list of the data elements the state views as important and necessary. We are working to develop a report that meets these needs and intend to revert as soon as possible. We understand that the State will treat these reports as strictly confidential and take all necessary precautions to prevent disclosure of the personal information in the report.

We also understand and appreciate your desire for information regarding our claims process and we continue to provide that as quickly as it is developed. We provided you with a copy of our Claims Manual as soon as it was available. I am also attaching copies of our claims

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process for local government entities, just revised. In addition, I attach our process flow diagram regarding local government entity requests. We will continue to provide these materials as we develop them.

We have also responded to numerous requests for information about contractors and vendors doing business with BP. We have engaged many firms in your state to assist us with services ranging from contract labor to cell phone equipment, caters, and other vendors and suppliers. We recently provided information about these firms to one of the state agencies and we expect to update it routinely as we add or delete contractors and vendors. We are making substantial headway to hire local personnel as requested by state and local officials. However, as a private employer, we do not have the capability to conduct detailed criminal background checks that some local officials desire. We therefore stepped up our efforts to assist local law enforcement conducting background checks.

We also appreciate your interest in our Independent Mediator. BP is in the midst of the selection process. We are considering nationally known neutrals with substantial credentials. As Mr. Lynch told your office on Tuesday, BP would be pleased to consider any candidates you wish to propose. We intend to conduct interviews starting this week and will announce the selection soon. Our public announcement last week describes the approach we plan, and of course, the mediator will establish the details of the process. We commit to share the details of the process as soon as they are available.

Sincerely,

Mark Holstein

Mark Holstein

c.c. John E. Lynch, Jr.